

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17-BK-3283 (LTS)

Jointly Administered

**VERIFIED STATEMENT OF THE PBA FUNDS
PURSUANT TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), made applicable to these Title III cases by Section 310 of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), 48 U.S.C. § 2170, and in accordance with the *Order Further Amending Case Management Procedures* [ECF No. 1512], this verified statement (this “Statement”) is hereby submitted by an ad hoc group of certain holders (the “PBA Funds”) of Government Facilities Revenue Bonds and Government Facilities Revenue Refunding Bonds issued by the Puerto Rico Public Buildings Authority (“PBA”) and guaranteed by the Commonwealth of Puerto Rico (the “Commonwealth”) (collectively, the “PBA Bonds”) and, together with all other bonds issued or guaranteed by the Commonwealth, the “General Obligation Bonds”). In support of this Statement, the PBA Funds respectfully state as follows:

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (9686).

1. On or around July 1, 2017, the PBA Funds retained Morrison & Foerster LLP (“Morrison & Foerster”). In October 2017 the PBA Funds retained G. Carlo-Altieri Law Offices, LLC (“G. Carlo-Altieri”) as Puerto Rico counsel (together with Morrison & Foerster, “Counsel”).

2. The members of the PBA Funds hold disclosable economic interests or act as investment managers or advisors (or are affiliates of entities which act as investment managers or advisors) to funds and/or accounts that hold disclosable economic interests in relation to the Debtors. In accordance with Bankruptcy Rule 2019, and based upon information provided to Counsel by the members of the PBA Funds, attached hereto as Exhibit A is a list of the names, addresses, nature, and amount of all disclosable economic interests of each member of the PBA Funds in relation to the Debtors as of the date of this Statement.

3. As of the date of this Statement, Counsel represents only the PBA Funds in connection with these Title III cases and does not represent or purport to represent any entity or entities other than the PBA Funds in connection with these Title III cases.²

4. Nothing contained in this Statement (or Exhibit A hereto) should be construed as a limitation upon, or waiver of, any rights of any member of the PBA Funds to assert, file, and/or amend any claim or proof of claim filed in accordance with applicable law and any orders entered in these cases.

5. Counsel reserves the right to amend this Statement as necessary in accordance with the requirements set forth in Bankruptcy Rule 2019.

² G. Carlo-Altieri has been retained by a provider of utility services to the Commonwealth and/or its related instrumentalities and public corporations. While G. Carlo-Altieri has advised this client with respect to the Commonwealth’s restructuring generally, G. Carlo-Altieri has not represented or taken a position before the Court in these Title III cases on behalf of any entities other than the PBA Funds.

Dated: November 3, 2017

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Counsel for the PBA Funds

Exhibit A

Names, Addresses and Disclosable Economic Interests of the PBA Funds¹

<u>Name of Creditor²</u>	<u>Address</u>	<u>Nature and Amount of Disclosable Economic Interest</u>
Candlewood Investment Group, LP	777 Third Avenue Suite 19B New York, NY 10017	<u>General Obligation Bonds</u> \$126,696,000
Fir Tree Partners	55 West 46th Street 29th Floor New York, NY 10036	<u>General Obligation Bonds</u> \$588,564,000

¹ To the best of Counsel's knowledge, the information included herein is accurate as of October 31, 2017. The amounts set forth herein include only outstanding principal and do not include any other amounts that may be due and owing under the applicable debt documents and laws, including but not limited to any overdue or compounded interest. In addition, the amounts set forth herein do not include any disclosable economic interests that are subject to pending trades or other transfers that have not settled or otherwise been closed as of October 31, 2017.

² Each entity on this Exhibit A holds disclosable economic interests or acts as investment manager or advisor (or is an affiliate of entities which act as investment manager or advisors) to funds and/or accounts that hold disclosable economic interests in relation to the Debtors.